{h) whether there was ; o fresh demand coming from the cor lorate sector for credit disbur'sal, fbrcmg the banks to park their extra funds in t le less lucrative Government securitie;; and

(c) the reasons for poor c T-take of the banking finance by the coi :)orate sector aad the efforts being made to revive their interest for improved credit offtake?

THE MINISTER QF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) Reserve Bank of India (RBI) have reporte I that aggregate deposits of scheduled commercial J)anks increased by Rs. 8,076 crore (1.6 per cent) between March 28, 1997 and May 23, 1997 while non-foo 1 credit declined by Rs. 2,700 crore '—1.0 per cent) during the same peri'd.

(b) The demand for ere at from the corporate sector has been ess than expected an consequently commercial banks have deployed additicnal futids by way of investments in seci rities.

(j) The principal reasons for a less than anticipated credit off. take by the corporate sector are slowin; down of industrial growth, existence of'sources of funds which are cheaper then bank credit, and the inability or unvil1ingness to raise equity leading to an inability to meet the requisite debt equity ratios.

In April, 1997 RBI have .aken steveral measures as part of the monetary and credit policy to ensure a'ailability of adequate bank credilt, to supjport the growth of the real sector and to ensure -that banks brought down inte rest rates by reducing spreads. Accor dingly; Bank Rate was reduced from 12.0 per cent per annum to 11.0 per cent per annum and further to 10.0 per cent Per annum w.e.f. close of bu-iness on June 25, 1997. Measure were also taken by. RBI to improve the credit delivery system and flow of resources to industry which include inter alia withdrawal of stipulation of obligatory Itonsortium system of it red it to borrower-, with credit limit of over Rs. 50 crores and freedom to banks to assess the working capital requirements of bbrrowers.

Notifitation Issued by CBDT Extending it Assessment

2210. DR. MOHAN BABU;

SHRI SOLIPETA RAMACHANDRA REDDY:

Will the Minister of FINANCE be pleased to state:

(a) the details of notification issued by CBDT for extending Income Tax assessment to owners of house, telephone etc. under Sectica 139 (1) of the Income Tax Act.

(b) the rationale for fixing floor area of 600 sq. ft. only for Delhi, Mumbai etc.;

(c) whether Government propose to increase the floor area to 800 sq. ft. or exclude Kitchen, Bathroom, Toilet and Balcony etc., for calculation of occupied area of 600 sq. ft. on the analogy of property tax calculation criteria;

(d) whether any new form has been issued for filling tax returns under section 139(1); and

(e) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) The following three notifications have been issued by C.B.D.T. for extending income tax assessment to owners of house, telephone etc. under the proviso to section 139(1) of the Income Tax Act;

(i) Notification No. 10379 specifying the urban agglomerations covered by the said proviso;

(ii) Notification No. 10378 specL fying the floor area of property for residential and commercial purposeis in the notified urban agglomerations; and

(iii) Notification No, 10377 specify ing the Form to be filled in by persons covered by the said proviso.

(b) The floor area of 600 sq. ft. beein notified for Delhi, Mumbai, etc. in respc'Ct of residential property, in view of relatively high market value of property in these places signifying greater affluence of the occupants.

(c) There is no such proposal.

(d) Yes, Sir.

(e) A new simplified Return Form (Form No. 2C) has been devised and issued for those who are required to file return of income under the said proviso. This Retuna Form is to used by any person who has not filed his return of income hitherto and who fulfills any two of the following conditions, namely :—

(i) was in occupation of immovable property exceeding the specified floor area;

(ii) was the owner or tne lessee of a motor vehicle;

(iii) was a subscriber to a leiepho'ne.

has (iv) incurred any expenditure on travel to a foreign couTitry for himself or for a'iiy other person.

Loans Released by Nat/onalifsed Banks and NABARD to Agricultural Sector ini Punjab

2211. SHRI MOHINDER SINGH KALYAN: Will the Minister of FINANCE be plased to state:

(a) the total loan amount released by the nationalised banks and National Bank for Agriculture and Rural Development during the year 1994-95 and 1995-96 till date for agriculture sector in the State of Punjab; and

(b) the number of loan applications received from the farmers during the above period in the State?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SAT PAL MAHARAJ): (a) As reported by Reserve Bank of India (RBI), the details of advances by 'nationalised and scheduled commercial banks to agriculture sector in Punjab for the year 1994-95 (latest available) are given below :

(Rs. in crores)

	Direct advances (disbursement to agricultijre - end June 1995)		Total advances (outstanding to Agriculture - end March 1995)	
	No. of disbursed	Amount A/cs.	No. of A/cs.	Amount out-st tnding
Nationalised Banks . .	82857	239.32	114244	355890 896.97
All scheduled commsrcial banks . . .	362 57			604860 1546.17

National Bank for Agriculture & Rural Development, (NABARD) provides refinance to commercial banks, regiovial rural ban s and co-operative banks for onlendinj to farmers for various agricultsiiral tnd rural development activities. NABARD does not provide any assistance to farmers directly. The details of refinance disbursed by NABARD tb agriculture Sector in Punjab are givea below: